

**New Member "101":**  
**Reimbursement: Coverage, Payment, Access, & Value**

Receiving timely and appropriate coverage and reimbursement is critical to drug, device and diagnostics innovation as well as to patient care and access to life-saving treatments. The lifecycle from foundational scientific research to clinical trials and approval by the Food and Drug Administration (FDA) to commercialization of a treatment is extremely costly and can take more than a decade of investment into a single therapy. Attracting and maintaining investment into an inherently risky venture requires that innovative products be equitably reimbursed so that the next generation of therapies can be made available to patients. The life sciences development continuum cannot be sustained without appropriate coverage and reimbursement policy.

To that end, it is essential to protect programs that are working such as Medicare Part D and Part B and reject proposals that would undermine and weaken them. Mechanisms such as the Independent Payment Advisory Board (IPAB) fail to achieve this balance and instead favor blunt cost control mechanisms that threaten future innovation and patient care. In addition, Congress must carefully monitor numerous Affordable Care Act (ACA) provisions that are to be implemented at the state levels, including accountable care organizations (ACOs) and the often narrow provider and coverage networks offered through the exchanges, to ensure they promote and protect patient access and choice as well as incentivize innovation.

The comprehensive value of these biomedical innovations and the need to safeguard patient access to medical treatments must remain a centerpiece of these policy discussions. As rising health care costs continue to capture national attention, policymakers must be sure to balance the need for responsible fiscal policy with the importance of protecting and promoting access to innovative medicines and technologies. As an example, quality metrics are useful to ensure quality patient care in the transition from traditional "fee-for-service" payment policies toward new "bundled" payment policies.

Ground-breaking medical treatments not only lend benefits to the economy and healthcare system by addressing costly public health issues, but access restrictions may actually drive up long-term medical costs by deterring patients, especially low-income patients, from adhering to important treatment regimens.

Congress will be evaluating many coverage reform proposals in the 114<sup>th</sup> Congress, and we respectfully urge your consideration of the following priorities:

- Support the success of Medicare Part D and Part B and oppose any proposals that would weaken these programs, including the expansion of rebates to dual eligible beneficiaries, allowing the government to negotiate pricing in part D and changes to the market-based Average Sales Price (ASP) system in part B.
- Support policies to modernize payment mechanisms for advanced diagnostic tests.
- Ensure that payment mechanisms value efforts to bring innovative medical therapies to market, including taking into consideration the specific regulatory pathway under which such products are reviewed when making coverage and payment determinations.
- Support the move away from fee-for-service and towards value-based delivery and payment models (including ACOs and bundled payments), while ensuring a necessary balance exists between cost-efficiencies and preserving a patient's choice in and access to the full panoply of therapies, treatments and technologies.
- Develop and promote policies to safeguard patient access to appropriate medical care.
- Cosponsor and support efforts in the 114th Congress to repeal IPAB.